

MBIZANA LOCAL MUNICIPALITY

ADJUSTMENTS BUDGET 2014/15

26 FEBRUARY 2015

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- Office of the Mayor
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PART 1 – ADJUSTMENTS BUDGET

1. Mayor's report

The Mbizana Local Municipality approved the 2014/15 before the beginning of the financial period. This was done in compliance with section 24(1) of the Municipal Finance Management Act No. 56 of 2003 which requires that an annual budget be approved at least 30 days before the start of a financial year. The approved budget has been utilised up to date.

The mid – year report has been presented to council and there are areas in the report that point that an adjustments budget needs to be prepared to give effect to the proposed changes in the set targets in the Service Delivery and Budget Implementation plan. The following are the reasons for the proposed Adjustments Budget, which will be further elaborated upon in subsequent paragraphs:-

- There are infrastructure projects, that it has become apparent that additional funding is required whilst some have been cancelled. For example, Thaleni Bridge, CBD Storm Water, Bizana Asphalt requires additional funding whilst Tarring of roads has been scrapped.
- There have been changes in the targets as set out at the beginning of the financial year and the shifting of these targets implies that there should be a shift in the funds as well. A good example is on the forecast for the revenue from electricity, which had been forecast at over R33 million but the projects indicate that we will only be able to generate just above R20 million.
- There are new allocations that have become available that had not been part of the original budget and this need to be taken into consideration at this point. For example the R3,2 million from Department of Economic Development and Environmental Affairs.
- There are conditional grant funds that had remained unspent at the end of the 2013/14 financial period and the adjustments budget should be utilised to authorise the spending of the approved funds.

It is against this background that it is recommended that the council of Mbizana Local Municipality should:-

- a) consider the approval of the 2014/15 Adjustments Budget, and
- b) The revision of the service delivery targets and performance indicators in the Service Delivery and Budget Implementation Plan

2. Resolutions

It is recommended that the council approves the following:

- a) The 2014/ 15 MTREF adjustments budget
- b) The adjustments in line with the requirements of s28(2) of the MFMA
- c) Revisions to the monthly and quarterly service delivery targets and performance indicators in the service delivery and budget implementation plan to correspond with the approval of the adjustments.

3. Executive Summary

The Budget summary by source and expenditure by type indicate the following:

- **Service Charges Electricity:** This revenue source has been revised downwards as it has become apparent from the trends to date that we will not be able to generate the R33million as envisaged. The revenue from electricity distribution is revised downwards by just over R12million.
- **Interest Earned:** The interest earned on short term deposits and municipal cash in the bank is yielding some positive results. This is where excess cash that is not immediately required is placed in short term deposits to generate extra interest. This has been adjusted upwards by R2million.
- **Grants and Subsidies – Operational:** The Community Services department has received a further R3,2 million from DEDEAT for alien plants removal.
- **Own Reserves:** - The Municipality has been building up some reserves and it has become apparent from the submissions from the various departments within the municipality that some funds need to be made available. We are therefore making available R34 million to the budget to ensure that these service delivery imperatives are realised.
- **Employee related costs:** The budget for salaries have been revised down by just above R6,7 million. This is taking into account all the expenditure relating to salaries considering the remaining months in the financial period. It should be noted though that this is besides the calculations for salary imbalances that are currently continuing.
- **General Expenditure :** A number of movements between votes have been effected by the various departments but there has been a combined amount of more than R11million that is required by departments to fulfill their service delivery objectives:

- **Consulting Fees** - BTO : A further R3million has been adjusted for the consulting fees at BTO to cover the Compilation of the FAR, the AFS as well as the internal audit co-sourcing.
- **Community Involvement:** R800,000.00 has been added onto this vote.
- **Audit Fees** : The municipality is required to be audited by the Auditor General and the original budget was not enough. There has been an additional amount of R1,5 million made available for this.
- **Mayor's Special Programmes – Youth / Sport Development:** We have adjusted upwards the budget for this by R400, 000.00. This was done after considering that the municipality needs host a Mayoral Cup in all the 31 wards.
- **Repairs and Maintenance:** This vote has been adjusted up by R9,4 million and the main contributor to this is the R8,8 upward adjustment on the Roads repairs and maintenance.
- **Contributions to Capital:** This refers to adjustments that need to be made in relation to capital expenditure. A R15 million adjustment is required for this purpose:-\n
 - **Electricity Infrastructure:** The R2million adjustment is to cater for design fees for electrification projects.
 - **Plant and Equipment:** This will be adjusted up by R3,6 million to purchase plant and machinery for the municipality.
 - **Licensing Station :** This is for the completion of the fencing for the testing station and a further R800,000.00 is made available
 - **Municipal Offices :** The new building requires a further R2million for air conditioning
 - **Bizana Asphalt:** There is a further R2mililon required for this project considering the commitment that has already been made.
 - **Infrastructure Projects:** There has been an indication that there is general over commitment on projects from the previous financial years. There is a R9,5 million that has been adjusted for this purpose.

The second table presents the same information but indicating the departments within the municipality.

4. Budget Overview

The tables below show a snap shot summary of the information detailed in the executive summary above and the detailed tables that are presented later in the document.

MBIZANA LOCAL MUNICIPALITY

FINAL BUDGET SUMMARY BY SOURCE AND EXPENDITURE BY TYPE

Feb-15

REVENUE	2014/15 BUDGET	YTD EXPENDITURE	FULL YEAR FORECAST	PROPOSED ADJUSTMENT	ADJUSTED BUDGET 2014/15	2015/16 BUDGET	2016/17 BUDGET
TYPE							
Property Rates	15 000 000,00	-7 794 058,00	-13 361 242,29	0,00	15 000 000,00	15 900 000,00	16 845 000,00
Service Charges - Electricity	33 327 582,00	-10 727 450,00	-18 389 914,29	12 615 643,00	20 711 939,00	35 780 594,00	38 414 290,00
Service Charges - Refuse	1 200 000,00	-607 582,00	-1 041 569,14	0,00	1 200 000,00	1 272 000,00	1 348 320,00
Service Charges - Other	11 194,00	-4 269,00	-7 318,29	0,00	11 194,00	11 865,00	12 577,00
Agency Services	848 631,00	-378 116,00	-648 198,86	-30 000,00	878 631,00	899 549,00	953 521,00
Rental of Facilities & Equipment	729 107,00	-438 000,00	-750 857,14	-50 000,00	779 107,00	773 854,00	819 225,00
Fines	527 400,00	-649 625,00	-1 113 642,86	-800 000,00	1 327 400,00	559 045,00	592 587,00
Licences & Permits	2 333 303,00	-713 348,00	-1 222 882,29	0,00	2 333 303,00	2 473 301,00	2 621 699,00
Interest Earned - External Investments	5 026 268,00	-4 258 448,00	-7 300 196,57	-2 000 000,00	7 026 268,00	5 327 844,00	5 647 515,00
Interest Earned - Outstanding Debtors	97 342,00	-595 829,00	-1 021 421,14	-20 000,00	117 342,00	103 182,00	109 373,00
Loan Advance	45 000 000,00	0,00	0,00	0,00	45 000 000,00		
Grants & Subsidies Rec'd - Operational	151 396 600,00	-108 284 242,00	-185 630 129,14	-3 290 200,00	154 686 800,00	187 244 800,00	187 249 650,00
Grants & Subsidies Rec'd - Capital	67 142 400,00	-25 178 666,00	-43 163 427,43	-105 468,00	67 247 868,00	80 855 200,00	76 790 350,00
Gains on Disposal of PPE		0,00	0,00	0,00	0,00		
Other Revenue	1 172 042,00	-999 430,00	-1 713 308,57	-673 873,00	1 845 915,00	1 242 365,00	1 316 906,00
From Own Reserves	50 827 708,00	0,00	0,00	-35 969 898,95	86 797 606,95		
TOTAL	374 639 577,00	-160 629 063,00	-275 364 108,00	-30 323 796,95	404 963 373,95	332 443 599,00	332 721 013,00
EXPENDITURE							
Employee Related Costs	73 042 317,00	32 483 039,00	55 685 209,71	-6 764 739,05	66 277 577,95	77 715 911,00	82 689 681,00
Remuneration of Councillors	18 466 288,00	9 827 576,00	16 847 273,14	0,00	18 466 288,00	19 648 131,00	20 905 611,00
Debt Impairment	4 035 962,00	0,00	0,00	0,00	4 035 962,00	4 035 962,00	4 035 962,00
Bulk Purchases - Electricity	20 470 688,00	12 117 154,00	20 772 264,00	0,00	20 470 688,00	22 120 626,00	23 903 548,00
Interest Paid	1 350 000,00	489 617,00	839 343,43	0,00	1 350 000,00	1 350 000,00	1 350 000,00
Depreciation & Asset Impairment	30 067 523,00	0,00	0,00	0,00	30 067 523,00	30 067 523,00	30 067 523,00
Grants & Subsidies Given	3 500 000,00	1 109 376,00	1 901 787,43	0,00	3 500 000,00	3 689 000,00	3 888 206,00
General Expenses	62 879 430,00	29 348 738,19	50 312 122,61	11 937 395,00	74 816 825,00	65 024 857,00	68 477 078,00
Repairs & Maintenance	20 259 140,00	11 760 908,00	20 161 556,57	9 441 000,00	29 740 140,00	21 395 293,00	22 550 639,00
Loss on Disposal of PPE	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Contributions to Capital	171 421 285,00	29 092 250,51	49 872 429,45	15 920 570,00	187 341 855,00	97 485 107,00	94 453 248,00
Contribution to Provisions	3 000 000,00	223 481,00	383 110,29	0,00	3 000 000,00	3 162 000,00	3 332 748,00
TOTAL	408 532 633,00	126 452 139,70	216 775 096,63	30 534 225,95	439 066 858,95	345 694 410,00	355 654 244,00
Profit/(Loss)	-33 893 056,00	-287 081 202,70	-492 139 204,63	-60 858 022,90	-34 103 455,00	-13 250 811,00	-22 933 231,00

MBIZANA LOCAL MUNICIPALITY						
FINAL BUDGET SUMMARY VOTE						
Feb-15						
REVENUE			FULL YEAR FORECAST	PROPOSED ADJUSTMENT	ADJUSTED BUDGET 2014/15	2016/17 BUDGET
VOTE	2014/15 BUDGET	YTD EXPENDITURE				2015/16 BUDGET
Council & General Expenses	0,00	0,00	0,00	0,00	0,00	0,00
Mayor's Office	0,00	0,00	0,00	0,00	0,00	0,00
Municipal Manager	0,00	0,00	0,00	0,00	0,00	0,00
Speaker	0,00	0,00	0,00	0,00	0,00	0,00
Budget & Treasury	219 387 070,00	-119 919 524,00	-205 576 326,86	-38 653 771,95	258 040 841,95	206 549 824,00
Corporate Services	366 631,00	-119 356,00	-204 610,29	-30 000,00	396 631,00	388 629,00
Development & Planning	196 800,00	-173 495,00	-297 420,00	0,00	196 800,00	194 888,00
Community Development	3 491 113,00	-1 329 522,00	-2 279 180,57	-3 290 200,00	6 781 330,00	3 685 597,00
Refuse Removal & Cemetery	2 200 000,00	-1 374 379,00	-2 356 078,29	0,00	2 200 000,00	1 277 000,00
Road Works & Engineering	46 094 545,00	-21 669 524,00	-37 147 755,43	-105 468,00	46 200 013,00	48 384 698,00
Electricity	102 903 402,00	-16 043 263,00	-27 502 736,57	11 755 643,00	91 147 759,00	71 966 963,00
						68 611 841,00
TOTAL	374 639 578,00	-160 629 063,00	-275 364 108,00	-30 323 796,95	404 963 374,95	332 730 014,00
EXPENDITURE						
Council & General Expenses	23 247 288,00	11 454 570,00	19 636 405,71	60 000,00	23 307 288,00	23 633 305,00
Mayor's Office	3 354 662,00	2 829 111,00	4 849 904,57	1 200 000,00	4 554 662,00	3 535 814,00
Municipal Manager	22 947 175,00	10 728 169,00	18 391 146,86	-12 171,92	22 935 003,08	24 366 935,00
Speaker	5 002 700,00	2 761 790,00	4 734 497,14	-10 000,00	4 992 700,00	5 272 846,00
Budget & Treasury	53 864 969,00	12 611 489,19	21 619 695,75	6 353 053,23	60 217 022,23	54 890 287,00
Corporate Services	34 720 278,00	12 227 887,00	20 962 092,00	-76 954,06	34 643 323,94	36 705 694,00
Development Planning	13 290 707,00	2 611 321,00	4 476 550,29	-1 483 842,12	11 806 864,88	13 949 570,00
Community Development	26 570 170,00	9 666 749,00	16 571 569,71	964 549,66	27 534 719,66	27 010 577,00
Refuse Removal & Cemetery	14 891 510,00	5 380 720,00	9 224 091,43	-1 411 101,88	13 480 408,12	14 732 653,00
Road Works & Engineering	100 702 427,00	35 961 842,12	61 648 872,21	22 444 076,34	123 146 503,34	79 201 583,00
Electricity	109 941 022,00	20 061 591,39	34 391 299,53	2 507 616,70	112 448 638,70	62 425 147,00
TOTAL	408 532 908,00	126 295 239,70	216 506 125,20	30 534 225,95	439 067 133,95	345 724 411,00
Profit/(Loss)	-33 893 330,00	-286 924 302,70	-491 870 233,20	-60 853 022,90	-34 103 759,00	-13 281 812,00
						-22 924 231,00

5. Adjustments Budget Tables

Table B1 Adjustments Budget Summary

EC443 Mbizana - Table B1 Adjustments Budget Summary - 27 February 2015

Description R thousands	Budget Year 2014/15								Budget Year +1 2015/16	Budget Year +2 2016/17
	Original Budget A	Prior Adjusted 1 A1	Accum. Funds B	Multi-year capital C	Unfore. Unavoid. D	Nat. or Prov. Govt E	Other Adjusts. F	Total Adjusts. G	Adjusted Budget H	Adjusted Budget
Financial Performance										
Property rates	15 000	-	-	-	-	-	-	-	15 000	15 900
Service charges	34 539	-	-	-	-	-	(12 616)	(12 616)	21 923	37 064
Investment revenue	5 026	-	-	-	-	-	2 000	2 000	7 026	5 328
Transfers recognised - operational	151 397	-	-	-	-	-	3 290	3 290	154 687	187 245
Other own revenue	101 536	-	-	-	-	-	37 544	37 544	139 079	6 050
Total Revenue (excluding capital transfers and contributions)	307 497	-	-	-	-	-	30 218	30 218	337 716	255 940
Employee costs	73 042	-	-	-	-	-	(6 765)	(6 765)	66 278	77 716
Remuneration of councillors	18 466	-	-	-	-	-	-	-	18 466	19 648
Depreciation & asset impairment	30 068	-	-	-	-	-	-	-	30 068	30 068
Finance charges	1 350	-	-	-	-	-	-	-	1 350	1 350
Materials and bulk purchases	22 152	-	-	-	-	-	(1 682)	(1 682)	20 471	22 121
Transfers and grants	3 500	-	-	-	-	-	-	-	3 500	3 689
Other expenditure	259 954	-	-	-	-	-	38 981	38 981	298 935	191 103
Total Expenditure	408 533	-	-	-	-	-	30 534	30 534	439 067	345 694
Surplus/(Deficit)	(101 035)	-	-	-	-	-	(316)	(316)	(101 351)	(94 107)
Transfers recognised - capital	67 142	-	-	-	-	-	105	105	67 248	80 855
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(33 893)	-	-	-	-	-	(210)	(210)	(34 103)	(13 252)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(33 893)	-	-	-	-	-	(210)	(210)	(34 103)	(13 252)
Capital expenditure & funds sources										
Capital expenditure	171 421	-	-	-	-	-	15 921	15 921	187 342	97 485
Transfers recognised - capital	67 142	-	-	-	-	-	105	105	67 248	80 855
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	45 000	-	-	-	-	-	-	-	45 000	-
Internally generated funds	59 279	-	-	-	-	-	15 815	15 815	75 094	16 630
Total sources of capital funds	171 421	-	-	-	-	-	15 921	15 921	187 342	97 485
Financial position										
Total current assets	71 507	-	-	-	-	-	(36 970)	(36 970)	34 537	70 234
Total non current assets	451 785	-	-	-	-	-	15 921	15 921	467 706	519 203
Total current liabilities	6 410	-	-	-	-	-	-	-	6 410	6 410
Total non current liabilities	57 552	-	-	-	-	-	-	-	57 552	31 902
Community wealth/Equity	459 330	-	-	-	-	-	(21 049)	(21 049)	438 280	551 124
Cash flows										
Net cash from (used) operating	71 032	-	-	-	-	-	(27 289)	(27 289)	43 743	134 455
Net cash from (used) investing	(171 421)	-	-	-	-	-	(15 921)	(15 921)	(187 342)	(94 453)
Net cash from (used) financing	45 000	-	-	-	-	-	-	-	45 000	-
Cash/cash equivalents at the year end	63 424	-	-	-	-	-	(43 209)	(43 209)	20 214	57 184
Cash backing/surplus reconciliation										
Cash and investments available	57 184	-	-	-	-	-	(36 970)	(36 970)	20 214	57 184
Application of cash and investments	51 543	-	-	-	-	-	(35 540)	(35 540)	16 003	45 396
Balance - surplus (shortfall)	5 641	-	-	-	-	-	(1 430)	(1 430)	4 211	11 789
Asset Management										
Asset register summary (WDV)	477 634	-	-	-	-	-	672	672	478 306	576 546
Depreciation & asset impairment	30 068	-	-	-	-	-	-	-	30 068	30 068
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	20 299	-	-	-	-	-	9 441	9 441	29 740	21 395
Free services										
Cost of Free Basic Services provided	280	-	-	-	-	-	-	-	280	280
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	6	6
Energy:	6	-	-	-	-	-	-	-	6	6
Refuse:	48	-	-	-	-	-	-	-	48	48

Table B2 Adjustments budget Financial Performance (Standard Classification)

EC443 Mbizana - Table B2 Adjustments Budget Financial Performance (standard classification) - 27 February 2015

Standard Description	Ref	Budget Year 2014/15										Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
R thousands	1,4		A	A1	B	C	D	E	F	G	H		
Revenue - Standard													
<i>Governance and administration</i>		219 754	-	-	-	-	-	-	38 684	38 684	258 437	206 938	208 160
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-
Budget and treasury office		219 387	-	-	-	-	-	-	38 654	38 654	258 041	206 550	207 748
Corporate services		367	-	-	-	-	-	30	30	397	389	412	
<i>Community and public safety</i>		658	-	-	-	-	-	-	-	-	658	682	721
Community and social services		340	-	-	-	-	-	-	-	-	340	345	364
Sport and recreation		-	-	-	-	-	-	-	-	318	337	357	
Public safety		318	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		49 125	-	-	-	-	-	3 396	3 396	52 521	51 583	53 889	
Planning and development		585	-	-	-	-	-	-	-	585	606	649	
Road transport		48 540	-	-	-	-	-	105	105	48 646	50 977	53 240	
Environmental protection		-	-	-	-	-	-	3 290	3 290	3 290	-	-	-
<i>Trading services</i>		105 103	-	-	-	-	-	(11 756)	(11 756)	93 348	73 239	69 960	
Electricity		102 903	-	-	-	-	-	(11 756)	(11 756)	91 148	71 967	68 612	
Water		-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	2 200	1 272	1 348	
Waste management		2 200	-	-	-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	374 640	-	-	-	-	-	30 324	30 324	404 963	332 443	332 730	
Expenditure - Standard													
<i>Governance and administration</i>		143 881	-	-	-	-	-	7 153	7 153	151 034	148 375	154 997	
Executive and council		54 552	-	-	-	-	-	1 238	1 238	55 790	56 779	60 202	
Budget and treasury office		53 865	-	-	-	-	-	6 352	6 352	60 217	54 890	55 990	
Corporate services		35 464	-	-	-	-	-	(437)	(437)	35 027	36 706	38 805	
<i>Community and public safety</i>		24 091	-	-	-	-	-	(1 606)	(1 606)	22 486	24 009	25 453	
Community and social services		19 839	-	-	-	-	-	(2 753)	(2 753)	17 086	21 037	22 321	
Sport and recreation		105	-	-	-	-	-	1 148	1 148	5 294	2 861	3 016	
Public safety		4 147	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		114 341	-	-	-	-	-	24 500	24 500	138 841	93 518	98 330	
Planning and development		14 685	-	-	-	-	-	(164)	(164)	14 521	15 419	16 458	
Road transport		98 634	-	-	-	-	-	21 124	21 124	119 758	77 022	80 737	
Environmental protection		1 022	-	-	-	-	-	3 540	3 540	4 552	1 077	1 135	
<i>Trading services</i>		126 220	-	-	-	-	-	487	487	126 706	79 793	76 874	
Electricity		111 328	-	-	-	-	-	1 898	1 898	113 226	65 060	61 249	
Water		-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	(1 411)	(1 411)	13 480	14 733	15 625	
Waste management		14 892	-	-	-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	408 533	-	-	-	-	-	30 534	30 534	439 067	345 694	355 654	
Surplus/ (Deficit) for the year								(210)	(210)	(34 103)	(13 252)	(22 924)	

Table B3 Adjustments budgets Financial Performance (revenue and expenditure by municipal vote)

EC443 Mbizana - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 27 February 2015

Vote Description <i>[Insert departmental structure etc]</i> R thousands	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Revenue by Vote	1											
Vote 1 - EXECUTIVE & COUNCIL		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - BUDGET & TREASURY		219 387	-	-	-	-	-	38 654	38 654	258 041	206 550	207 748
Vote 3 - CORPORATE SERVICES		367	-	-	-	-	-	30	30	397	389	412
Vote 4 - COMMUNITY & SOCIAL SERVICES		5 691	-	-	-	-	-	3 290	3 290	8 981	4 958	5 253
Vote 5 - ENGINEERING SERVICES		148 998	-	-	-	-	-	(11 650)	(11 650)	137 348	120 352	119 104
Vote 6 - DEVELOPMENT PLANNING		197	-	-	-	-	-	-	-	197	195	213
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	374 640	-	-	-	-	-	30 324	30 324	404 963	332 443	332 730
Expenditure by Vote	1											
Vote 1 - EXECUTIVE & COUNCIL		54 552	-	-	-	-	-	1 238	1 238	55 790	56 779	60 202
Vote 2 - BUDGET & TREASURY		53 885	-	-	-	-	-	6 352	6 352	60 217	54 890	55 990
Vote 3 - CORPORATE SERVICES		34 720	-	-	-	-	-	(77)	(77)	34 643	36 706	38 805
Vote 4 - COMMUNITY & SOCIAL SERVICES		41 462	-	-	-	-	-	(447)	(447)	41 015	41 743	44 242
Vote 5 - ENGINEERING SERVICES		210 643	-	-	-	-	-	24 952	24 952	235 595	141 627	141 506
Vote 6 - DEVELOPMENT PLANNING		13 291	-	-	-	-	-	(1 484)	(1 484)	11 807	13 950	14 909
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	408 533	-	-	-	-	-	30 534	30 534	439 067	345 694	355 654
Surplus/ (Deficit) for the year	2	(33 893)	-	-	-	-	-	(210)	(210)	(34 103)	(13 252)	(22 924)

Table B4 Adjustments budget Financial Performance (revenue and expenditure)

EC443 Mbizana - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 27 February 2015

Description	Ref	Budget Year 2014/15										Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H			
Revenue By Source													
Property rates	2	15 000	-	-	-	-	-	-	-	15 000	15 900	16 854	
Property rates - penalties & collection charges										-			
Service charges - electricity revenue	2	33 328	-	-	-	-	-	(12 616)	(12 616)	20 712	35 781	38 414	
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-	-	
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	1 200	1 272	1 348	
Service charges - refuse revenue	2	1 200	-	-	-	-	-	-	-	11	12	13	
Service charges - other		11								779	773	819	
Rental of facilities and equipment		729						50	50				
Interest earned - external investments		5 026						2 000	2 000	7 026	5 328	5 648	
Interest earned - outstanding debtors		97						20	20	117	103	109	
Dividends received										-	-	-	
Fines		527						800	800	1 327	559	593	
Licences and permits		2 333						-	-	2 333	2 473	2 622	
Agency services		849						30	30	879	900	954	
Transfers recognised - operating		151 397						3 290	3 290	154 687	187 245	187 250	
Other revenue	2	97 000	-	-	-	-	-	36 644	36 644	133 644	1 242	1 317	
Gains on disposal of PPE								-	-				
Total Revenue (excluding capital transfers and contributions)		307 497	-	-	-	-	-	30 218	30 218	337 716	251 587	255 940	
Expenditure By Type													
Employee related costs		73 042	-	-	-	-	-	(6 765)	(6 765)	66 278	77 716	82 690	
Remuneration of councillors		18 466						-	-	18 466	19 648	20 906	
Debt impairment		4 036						-	-	4 036	4 036	4 036	
Depreciation & asset impairment		30 068	-	-	-	-	-	-	-	30 068	30 068	30 068	
Finance charges		1 350						-	-	1 350	1 350	1 350	
Bulk purchases		22 152	-	-	-	-	-	(1 682)	(1 682)	20 471	22 121	23 904	
Other materials		-						-	-	-	-	-	
Contracted services		-						-	-	3 500	3 689	3 988	
Transfers and grants		3 500						-	-	294 899	187 067	188 814	
Other expenditure		255 918	-	-	-	-	-	38 981	38 981	-	-	-	
Loss on disposal of PPE								-	-				
Total Expenditure		408 533	-	-	-	-	-	30 534	30 534	439 067	345 694	355 654	
Surplus/(Deficit)		(101 035)	-	-	-	-	-	(316)	(316)	(101 351)	(94 107)	(99 715)	
Transfers recognised - capital		67 142						105	105	67 248	80 855	76 790	
Contributions								-	-	-	-	-	
Contributed assets								-	-				
Surplus/(Deficit) before taxation		(33 893)	-	-	-	-	-	(210)	(210)	(34 103)	(13 252)	(22 924)	
Taxation								-	-	-	-	-	
Surplus/(Deficit) after taxation		(33 893)	-	-	-	-	-	(210)	(210)	(34 103)	(13 252)	(22 924)	
Attributable to minorities								-	-	-	-	-	
Surplus/(Deficit) attributable to municipality		(33 893)	-	-	-	-	-	(210)	(210)	(34 103)	(13 252)	(22 924)	
Share of surplus/ (deficit) of associate								-	-				
Surplus/ (Deficit) for the year		(33 893)	-	-	-	-	-	(210)	(210)	(34 103)	(13 252)	(22 924)	

Table B5 Adjustments Capital Expenditure Budget by vote and funding

EC443 Mbizana - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 27 February 2015

Description	Ref	Budget Year 2014/15										Budget Year +1 2015/16	Budget Year +2 2016/17	
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget		
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H				
R thousands														
Capital expenditure - Vote														
Multi-year expenditure to be adjusted	2													
Vote 1 - EXECUTIVE & COUNCIL		-	-	-	-	-	-	-	-	-	-	-	-	
Vote 2 - BUDGET & TREASURY		-	-	-	-	-	-	-	-	-	-	-	-	
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	
Vote 4 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	
Vote 5 - ENGINEERING SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	
Vote 6 - DEVELOPMENT PLANNING		-	-	-	-	-	-	-	-	-	-	-	-	
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-	-	
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-	-	
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	
Capital multi-year expenditure sub-total	3	-	-	-	-	-	-	-	-	-	-	-	-	
Single-year expenditure to be adjusted	2													
Vote 1 - EXECUTIVE & COUNCIL		1 000	-	-	-	-	-	-	-	1 000	-	-	-	
Vote 2 - BUDGET & TREASURY		-	-	-	-	-	-	-	-	-	-	-	-	
Vote 3 - CORPORATE SERVICES		6 100	-	-	-	-	-	-	-	6 100	6 429	6 777		
Vote 4 - COMMUNITY & SOCIAL SERVICES		5 045	-	-	-	-	-	-	(460)	(460)	4 585	4 197	4 424	
Vote 5 - ENGINEERING SERVICES		157 113	-	-	-	-	-	-	16 381	16 381	173 493	84 578	80 715	
Vote 6 - DEVELOPMENT PLANNING		2 164	-	-	-	-	-	-	-	-	2 164	2 280	2 538	
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-	-	
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-	-	
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	
Capital single-year expenditure sub-total		171 421	-	-	-	-	-	-	15 921	15 921	187 342	97 485	94 453	
Total Capital Expenditure - Vote		171 421	-	-	-	-	-	-	15 921	15 921	187 342	97 485	94 453	
Capital Expenditure - Standard														
Governance and administration		7 844	-	-	-	-	-	(360)	(360)	7 484	6 429	6 777		
Executive and council		1 000	-	-	-	-	-	-	-	1 000	-	-	-	
Budget and treasury office		6 844	-	-	-	-	-	(360)	(360)	6 484	6 429	6 777		
Corporate services		4 085	-	-	-	-	-	900	900	4 985	2 796	2 947		
Community and public safety		2 439	-	-	-	-	-	(250)	(250)	2 189	2 570	2 709		
Community and social services		1 647	-	-	-	-	-	1 150	1 150	2 797	226	238		
Sport and recreation		72 895	-	-	-	-	-	13 381	13 381	86 275	49 838	52 177		
Public safety		2 164	-	-	-	-	-	-	-	2 164	2 280	2 538		
Housing		70 731	-	-	-	-	-	13 381	13 381	84 112	47 558	49 639		
Health		86 597	-	-	-	-	-	2 000	2 000	88 597	38 421	32 552		
Economic and environmental services		84 700	-	-	-	-	-	2 000	2 000	86 700	36 422	30 444		
Planning and development		1 897	-	-	-	-	-	-	-	1 897	2 000	2 108		
Trading services														
Electricity														
Water														
Waste water management														
Waste management														
Other														
Total Capital Expenditure - Standard	3	171 421	-	-	-	-	-	-	15 921	15 921	187 342	97 485	94 453	
Funded by:														
National Government		67 142	-	-	-	-	-	105	105	67 248	80 855	76 790		
Provincial Government														
District Municipality														
Other transfers and grants														
Total Capital transfers recognised	4	67 142	-	-	-	-	-	105	105	67 248	80 855	76 790		
Public contributions & donations		45 000	-	-	-	-	-	-	-	45 000	-	-		
Borrowing		59 279	-	-	-	-	-	15 815	15 815	75 094	16 630	17 663		
Internally generated funds		171 421	-	-	-	-	-	-	15 921	15 921	187 342	97 485	94 453	
Total Capital Funding		171 421	-	-	-	-	-	-	15 921	15 921	187 342	97 485	94 453	

Table B6 Adjustments budget Financial Position

EC443 Mbizana - Table B6 Adjustments Budget Financial Position - 27 February 2015

Description R thousands	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17	
		Original Budget A	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget	
ASSETS													
Current assets													
Cash		1 751								1 751		1 751	
Call investment deposits	1	55 434	-	-	-	-	-	(36 970)	(36 970)	18 464	55 434	75 434	
Consumer debtors	1	9 599	-	-	-	-	-	-	-	9 599	9 599	9 599	
Other debtors		2 882								2 882	1 609	965	
Current portion of long-term receivables		1 495								1 495	1 495	1 495	
Inventory		347								347	347	347	
Total current assets		71 507	-	-	-	-	-	(36 970)	(36 970)	34 537	70 234	89 590	
Non current assets													
Long-term receivables										-	-	-	
Investments										-	-	-	
Investment property		5 544								5 544	5 544	5 544	
Investment in Associate										-	-	-	
Property, plant and equipment	1	446 241	-	-	-	-	-	15 921	15 921	462 161	513 658	578 044	
Agricultural										-	-	-	
Biological										-	-	-	
Intangible										-	-	-	
Other non-current assets										-	-	-	
Total non current assets		451 785	-	-	-	-	-	15 921	15 921	467 706	519 203	583 588	
TOTAL ASSETS		523 292	-	-	-	-	-	(21 049)	(21 049)	502 242	589 437	673 179	
LIABILITIES													
Current liabilities													
Bank overdraft										-	-	-	
Borrowing										-	-	-	
Consumer deposits		403								403	403	403	
Trade and other payables		328	-	-	-	-	-	-	-	328	328	328	
Provisions		5 679								5 679	5 679	5 679	
Total current liabilities		6 410	-	-	-	-	-	-	-	6 410	6 410	6 410	
Non current liabilities													
Borrowing	1	57 552	-	-	-	-	-	-	-	57 552	31 902	12 552	
Provisions	1	-	-	-	-	-	-	-	-	-	-	-	
Total non current liabilities		57 552	-	-	-	-	-	-	-	57 552	31 902	12 552	
TOTAL LIABILITIES		63 962	-	-	-	-	-	-	-	63 962	38 312	18 962	
NET ASSETS	2	459 330	-	-	-	-	-	-	(21 049)	(21 049)	438 280	551 124	654 217
COMMUNITY WEALTH/EQUITY													
Accumulated Surplus/(Deficit)		403 896	-	-	-	-	-	15 921	15 921	419 817	495 691	578 783	
Reserves		55 434	-	-	-	-	-	(36 970)	(36 970)	18 464	55 434	75 434	
TOTAL COMMUNITY WEALTH/EQUITY		459 330	-	-	-	-	-	(21 049)	(21 049)	438 280	551 124	654 217	

Table B7 Adjustments budget Cash Flows

EC443 Mbizana - Table B7 Adjustments Budget Cash Flows - 27 February 2015

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget A	Prior Adjusted A1	Accum. Funds B	Multi-year capital C	Unfore. Unavail. D	Nat. or Prov. Govt E	Other Adjusts. F	Total Adjusts. G	Adjusted Budget H	Adjusted Budget	Adjusted Budget
R thousands												
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Ratespayers and other		51 067							(11 736)	(11 736)	39 332	54 585
Government - operating	1	151 397							3 290	3 290	154 687	187 245
Government - capital	1	67 142							-	-	67 142	80 855
Interest		4 433							2 020	2 020	6 453	4 981
Dividends									-	-	-	-
Payments												
Suppliers and employees		(198 158)							(20 863)	(20 863)	(219 021)	(187 890)
Finance charges		(1 350)							-	-	(1 350)	(1 350)
Transfers and Grants	1	(3 500)							-	-	(3 500)	(3 689)
NET CASH FROM/(USED) OPERATING ACTIVITIES		71 032	-	-	-	-	-	-	(27 289)	(27 289)	43 743	134 455
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE									-	-	-	-
Decrease (Increase) in non-current debtors									-	-	-	-
Decrease (increase) other non-current receivables									-	-	-	-
Decrease (increase) in non-current investments									-	-	-	-
Payments												
Capital assets		(171 421)							(15 921)	(15 921)	(187 342)	(97 485)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(171 421)	-	-	-	-	-	-	(15 921)	(15 921)	(187 342)	(97 485)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans									-	-	-	-
Borrowing long term/financing		45 000							-	-	45 000	
Increase (decrease) in consumer deposits									-	-	-	-
Payments									-	-	-	-
Repayment of borrowing									-	-	45 000	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		45 000	-	-	-	-	-	-	-	-	45 000	-
NET INCREASE/ (DECREASE) IN CASH HELD		(55 390)	-	-	-	-	-	-	(43 209)	(43 209)	(98 599)	36 970
Cash/cash equivalents at the year begin:	2	118 814							-	-	118 814	20 214
Cash/cash equivalents at the year end:	2	63 424	-	-	-	-	-	-	(43 209)	(43 209)	20 214	57 184
												77 184

Table B8 Cash backed reserves/accumulated surplus reconciliation

EC443 Mbizana - Table B8 Cash backed reserves/accumulated surplus reconciliation - 27 February 2015

Description	Ref	Budget Year 2014/15								Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H	
Cash and investments available											
Cash/cash equivalents at the year end	1	63 424	-	-	-	-	-	(43 209)	(43 209)	20 214	57 184
Other current investments > 90 days		(6 239)	-	-	-	-	-	6 239	6 239	-	-
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		57 184	-	-	-	-	-	(36 970)	(36 970)	20 214	57 184
Applications of cash and investments											
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements		-	-	-	-	-	-	-	-	-	-
Other working capital requirements	2	(3 890)	-	-	-	-	-	1 430	1 430	(2 461)	(10 038)
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed		-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		55 434	-	-	-	-	-	(36 970)	(36 970)	18 464	55 434
Total Application of cash and investments:		51 543	-	-	-	-	-	(35 540)	(35 540)	16 003	45 396
Surplus(shortfall)		5 641	-	-	-	-	-	(1 430)	(1 430)	4 211	11 789
											11 200

Table B9 Asset Management

EC443 Mbizana - Table B9 Asset Management - 27 February 2015

Description	Ref	Budget Year 2014/15										Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoids.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H			
R thousands													
CAPITAL EXPENDITURE													
Total New Assets to be adjusted	1	171 421	-	-	-	-	-	-	15 921	15 921	187 342	97 485	94 453
Infrastructure - Road transport		58 167	-	-	-	-	-	-	11 581	11 581	69 748	44 855	46 790
Infrastructure - Electricity		85 413	-	-	-	-	-	-	3 000	3 000	88 413	36 000	30 000
Infrastructure - Water		-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	1 000	1 000	5 900	4 110	4 332
Infrastructure - Other		4 900	-	-	-	-	-	-	-	-	-	-	-
Infrastructure		148 480	-	-	-	-	-	-	15 581	15 581	164 061	84 966	81 123
Community		6 813	-	-	-	-	-	-	(5 100)	(5 100)	1 713	1 574	1 659
Heritage assets		-	-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	5 440	5 440	21 568	10 945	11 671
Other assets	6	16 128	-	-	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets to be adjusted	2	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	-	-	-	-	5 440	5 440	21 568	10 945	11 671
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure to be adjusted	4	58 167	-	-	-	-	-	-	11 581	11 581	69 748	44 855	46 790
Infrastructure - Road transport		85 413	-	-	-	-	-	-	3 000	3 000	88 413	36 000	30 000
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	1 000	1 000	5 900	4 110	4 332
Infrastructure - Other		4 900	-	-	-	-	-	-	-	-	-	-	-
Infrastructure		148 480	-	-	-	-	-	-	15 581	15 581	164 061	84 966	81 123
Community		6 813	-	-	-	-	-	-	(5 100)	(5 100)	1 713	1 574	1 659
Heritage assets		-	-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-	-
Other assets	6	16 128	-	-	-	-	-	-	5 440	5 440	21 568	10 945	11 671
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE to be adjusted	2	171 421	-	-	-	-	-	-	15 921	15 921	187 342	97 485	94 453
ASSET REGISTER SUMMARY - PPE (WDV)	5	212 948	-	-	-	-	-	-	-	-	212 948	257 804	304 594
Infrastructure - Road transport		139 347	-	-	-	-	-	-	-	-	139 347	175 347	205 347
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Other		4 900	-	-	-	-	-	-	-	-	4 900	9 010	13 343
Infrastructure		357 195	-	-	-	-	-	-	-	-	357 195	442 161	523 284
Community		47 302	-	-	-	-	-	-	-	-	47 302	48 876	50 536
Heritage assets		-	-	-	-	-	-	-	-	-	-	-	-
Investment properties		6 870	-	-	-	-	-	-	672	672	7 542	8 297	9 126
Other assets		66 267	-	-	-	-	-	-	-	-	66 267	77 212	88 883
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	477 634	-	-	-	-	-	-	672	672	478 306	576 546	671 829
EXPENDITURE OTHER ITEMS													
Depreciation & asset impairment		30 068	-	-	-	-	-	-	-	-	30 068	30 068	30 068
Repairs and Maintenance by asset class	3	20 299	-	-	-	-	-	-	9 441	9 441	29 740	21 395	22 551
Infrastructure - Road transport		17 800	-	-	-	-	-	-	-	-	9 641	27 441	18 761
Infrastructure - Electricity		393	-	-	-	-	-	-	-	-	(200)	(200)	436
Infrastructure - Water		-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure		18 193	-	-	-	-	-	-	9 441	9 441	27 634	19 175	20 211
Community		-	-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	2 106	2 220	2 340
Other assets	6	2 106	-	-	-	-	-	-	9 441	9 441	59 808	51 463	52 618
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		50 367	-	-	-	-	-	-	-	-	-	0.0%	0.0%
% of capital exp on renewal of assets		0.0%	0.0%									0.0%	0.0%
Renewal of existing assets as % of depreci		0.0%	0.0%									0.0%	0.0%
R&M as a % of PPE		4.2%	0.0%									6.2%	3.7%
Renewal and R&M as a % of PPE		4.2%	0.0%									6.2%	3.7%

Table B10 Basic Service Delivery Measurement

EC443 Mbizana - Table B10 Basic service delivery measurement - 27 February 2015

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget A	Prior Adjusted 7 A1	Accum. Funds 8 B	Multi-year capital 9 C	Unfore. Unavoid. 10 D	Nat. or Prov. Govt 11 E	Other Adjusts. 12 F	Total Adjusts. 13 G	Adjusted Budget 14 H	Adjusted Budget	Adjusted Budget
Household service targets	1											
Water:												
Piped water inside dwelling	2											
Piped water inside yard (but not in dwelling)												
Using public tap (at least min.service level)												
Other water supply (at least min.service level)												
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	3											
Other water supply (< min.service level)	3,4											
No water supply												
<i>Below Minimum Servic Level sub-total</i>		-	-	-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:												
Flush toilet (connected to sewerage)												
Flush toilet (with septic tank)												
Chemical toilet												
Pit toilet (ventilated)												
Other toilet provisions (> min.service level)												
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-	-	-
Bucket toilet												
Other toilet provisions (< min.service level)												
No toilet provisions												
<i>Below Minimum Servic Level sub-total</i>		-	-	-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-	-	-
Energy:												
Electricity (at least min. service level)	200									200	200	200
Electricity - prepaid (> min.service level)	22346									22 346	22346	22346
<i>Minimum Service Level and Above sub-total</i>		22 546	-	-	-	-	-	-	-	22 546	22 546	22 546
Electricity (< min.service level)	6000									6 000	6000	6000
Electricity - prepaid (< min. service level)	6 000									6 000	6 000	6 000
Other energy sources												
<i>Below Minimum Servic Level sub-total</i>		6 000	-	-	-	-	-	-	-	28 546	28 546	28 546
Total number of households	5	28 546	-	-	-	-	-	-	-	-	-	-
Refuse:												
Removed at least once a week (min.service)	800									800	875	875
Minimum Service Level and Above sub-total	800	-	-	-	-	-	-	-	-	800	875	875
Removed less frequently than once a week	157									157	201	201
Using communal refuse dump	250									250	250	250
Using own refuse dump	0									0	0	0
Other rubbish disposal	3									3	3	3
No rubbish disposal	47480									47 480	47 361	47 361
<i>Below Minimum Servic Level sub-total</i>		47 890	-	-	-	-	-	-	-	47 890	47 815	47 815
Total number of households	5	48 690	-	-	-	-	-	-	-	48 690	48 690	48 690
Households receiving Free Basic Service	15											
Water (6 kilolitres per household per month)												
Sanitation (free minimum level service)	833											
Electricity/othe energy (50kwh per household per month)												
Refuse (removed at least once a week)												
<i>Total cost of FBS provided (minimum social package)</i>		833	-	-	-	-	-	-	-	833	833	833
Highest level of free service provided												
Property rates (R'000 value threshold)												
Water (kilolitres per household per month)												
Sanitation (kilolitres per household per month)												
Sanitation (Rand per household per month)												
Electricity (kw per household per month)												
Refuse (average litres per week)												
<i>Revenue cost of free services provided (R'000)</i>		50	-	-	-	-	-	-	-	50	50	50
Property rates (R15 000 threshold rebate)	6											
Property rates (other exemptions, reductions and rebates)												
Water												
Sanitation												
Electricity/othe energy												
Refuse												
Municipal Housing - rental rebates												
Housing - top structure subsidies												
Other												
<i>Total revenue cost of free services provided (total social p</i>		-	-	-	-	-	-	-	-	-	-	-

PART 2 SUPPORTING DOCUMENTATION

6. Adjustments to budget assumptions

No adjustments have to been made to the budget assumptions. The assumptions as utilised in the original annual budget have remained the same.

7. Adjustments to Budget Funding

The municipality's budgets are to a large extent funded out of the grant funding. The municipality generates its own funding to a lesser extent. In this adjustments budget, a consideration has been given to the own revenue generated from Electricity, Interest on short term investments as well as other revenues. Generally there has been a revision up of the revenue to be generated from these streams.

Electricity distribution on the other hand has demonstrated an inability to reach the targets as set and as such has been revised downwards by just above R4million.

The municipality has had to look into its reserves to establish how much can be extracted from there to ensure that the budget is appropriately funded or cash backed. A further R34 million has been made available to attend to the issues of service delivery, focusing on completing some of the projects that continue to drag from the previous financial periods.

8. Adjustments to expenditure on allocations and grant programmes

EC443 Mbizana - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme - 27 February 2015

Description	Ref	Budget Year 2014/15							Budget Year +1 2015/16	Budget Year +2 2016/17	
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
		A	2 A1	3 B	4 C	5 D	6 E	7 F			
R thousands											
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:	1										
Operating expenditure of Transfers and Grants											
National Government:											
Local Government Equitable Share		173 185	-	-	-	-	-	173 185	221 129	214 406	
Finance Management		145 251						145 251	181 912	181 688	
Municipal Systems Improvement		1 600						1 600	1 650	1 700	
EPWP Incentive		934						934	967	1 018	
Integrated National Electrification Programme		1 000						1 000			
		24 400						24 400	36 600	30 000	
Other transfers and grants [insert description]											
Provincial Government:											
		362	-	-	-	3 290	3 290	3 652	355	381	
Various		362				3 290	3 290	3 652	355	381	
District Municipality:											
[insert description]		-	-	-	-	-	-	-	-	-	
Other grant providers:											
[insert description]		-	-	-	-	-	-	-	-	-	
Total operating expenditure of Transfers and Grants:		173 547	-	-	-	3 290	3 290	176 837	221 484	214 787	
Capital expenditure of Transfers and Grants											
National Government:											
Municipal Infrastructure Grant (MIG)		44 992	-	-	-	105	105	45 097	47 216	49 253	
		44 992				105	105	45 097	47 216	49 253	
Other capital transfers [insert description]											
Provincial Government:											
[insert description]		-	-	-	-	-	-	-	-	-	
District Municipality:											
[insert description]		-	-	-	-	-	-	-	-	-	
Other grant providers:											
[insert description]		-	-	-	-	-	-	-	-	-	
Total capital expenditure of Transfers and Grants		44 992	-	-	-	105	105	45 097	47 216	49 253	
Total capital expenditure of Transfers and Grants		218 539	-	-	-	-	3 396	3 396	221 935	268 700	264 040

The Department of Development and Environmental affairs has allocated R3,2 million for Alien plants removal and this had not been allocated in the original budget.

9. Adjustments to councillor allowances and employee benefits

EC443 Mbizana - Supporting Table SB11 Adjustments Budget - councillor and staff benefits - 27 February 2015

Summary of remuneration R thousands	Ref	Budget Year 2014/15									% change
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	
Councillors (Political Office Bearers plus Other)											
Basic Salaries and Wages		12 463						-	-	12 463	0.0%
Pension and UIF Contributions							-	-	-	-	
Medical Aid Contributions						-	-	-	-	-	
Motor Vehicle Allowance		3 870				-	-	-	-	3 870	0.0%
Cellphone Allowance		1 360				-	-	-	-	1 360	
Housing Allowances						-	-	-	-	-	
Other benefits and allowances		774				-	-	-	-	774	
Sub Total - Councillors		18 466	-			-		-	-	18 466	0.0%
% increase			(0)								
Senior Managers of the Municipality											
Basic Salaries and Wages		6 031						(2 267)	(2 267)	3 765	-37.6%
Pension and UIF Contributions							-	-	-	-	
Medical Aid Contributions						-	-	-	-	-	
Overtime						-	-	-	-	-	
Performance Bonus						-	-	-	-	-	
Motor Vehicle Allowance		58						110	110	168	190.7%
Cellphone Allowance							-	-	-	-	
Housing Allowances							-	(3 567)	(3 567)	1 929	
Other benefits and allowances		5 496					-	-	-	-	
Payments in lieu of leave							-	-	-	-	
Long service awards							-	-	-	-	
Post-retirement benefit obligations							-	-	-	-	
Sub Total - Senior Managers of Municipality		11 585	-			-		(5 724)	(5 724)	5 861	-49.4%
% increase			(0)							(0)	
Other Municipal Staff											
Basic Salaries and Wages		44 881						(4 383)	(4 383)	40 497	-9.8%
Pension and UIF Contributions		4 398						(357)	(357)	4 041	-8.1%
Medical Aid Contributions		2 663						307	307	2 970	11.5%
Overtime		810						(24)	(24)	786	-2.9%
Performance Bonus								-	-	-	
Motor Vehicle Allowance		5 043						493	493	5 537	9.8%
Cellphone Allowance		691						(174)	(174)	518	-25.1%
Housing Allowances		2 961						(466)	(466)	2 495	
Other benefits and allowances		10						3 561	3 561	3 572	
Payments in lieu of leave								-	-	-	
Long service awards								-	-	-	
Post-retirement benefit obligations								-	-	-	
Sub Total - Other Municipal Staff		61 458	-			-	-	(1 041)	(1 041)	60 416	-1.7%
% increase											
Total Parent Municipality		91 509	-	-	-	-	-	(6 765)	(6 765)	84 744	-7.4%

10. Adjustments to Service Delivery and Budget Implementation Plan

A separate document has been prepared for council that indicates the targets that have been revised and need to be approved together with this budget adjustment.

11. Adjustments to Capital Expenditure

EC443 Mbizana - Supporting Table SB18a Adjustments Budget - capital expenditure on new assets by asset class - 27 February 2015

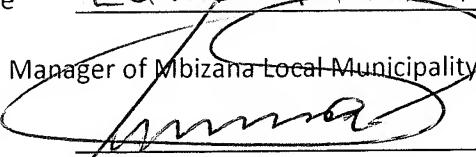
Description	Ref	Budget Year 2014/15										Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget A	Prior Adjusted 7 A1	Accum. Funds 8 B	Multi-year capital 9 C	Unfore. Unavoid. 10 D	Nat. or Prov. Govt 11 E	Other Adjusts. 12 F	Total Adjusts. 13 G	Adjusted Budget 14 H	Adjusted Budget	Adjusted Budget	
R thousands													
Capital expenditure on new assets by Asset Class/Sub-class													
Infrastructure		148 480	-	-	-	-	-	15 581	15 581	164 061	84 966	81 123	
Infrastructure - Road transport		58 167	-	-	-	-	-	11 581	11 581	69 748	44 855	46 790	
Roads, Pavements & Bridges		58 167	-	-	-	-	-	11 581	11 581	69 748	44 855	46 790	
Storm water										-	-	-	
Infrastructure - Electricity		85 413	-	-	-	-	-	3 000	3 000	88 413	36 000	30 000	
Generation										-	-	-	
Transmission & Reticulation		84 300	-	-	-	-	-	2 000	2 000	86 300	36 000	30 000	
Street Lighting		1 113	-	-	-	-	-	1 000	1 000	2 113	-	-	
Infrastructure - Water		-	-	-	-	-	-	-	-	-	-	-	
Dams & Reservoirs										-	-	-	
Water purification										-	-	-	
Reticulation										-	-	-	
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-	
Reticulation										-	-	-	
Sewerage purification										-	-	-	
Infrastructure - Other		4 900	-	-	-	-	-	1 000	1 000	5 900	4 110	4 332	
Refuse		2 897	-	-	-	-	-	200	200	3 097	2 000	2 108	
Transportation	2	2 003	-	-	-	-	-	800	800	2 803	2 111	2 225	
Gas										-	-	-	
Other	3		-	-	-	-	-			-	-	-	
Community		6 813	-	-	-	-	-	(5 100)	(5 100)	1 713	1 574	1 659	
Parks & gardens										-	-	-	
Sports Fields & stadia										-	-	-	
Swimming pools										-	-	-	
Community halls		5 779	-	-	-	-	-	(5 000)	(5 000)	779	821	866	
Libraries										-	-	-	
Recreational facilities										-	-	-	
Fire, safety & emergency										-	-	-	
Security and policing										-	-	-	
Buses										-	-	-	
Clinics										-	-	-	
Museums & Art Galleries										-	-	-	
Cemeteries										-	-	-	
Social rental housing										-	-	-	
Other										-	-	-	
Heritage assets		-	-	-	-	-	-	-	-	-	-	-	
Buildings										-	-	-	
Other										-	-	-	
Investment properties		-	-	-	-	-	-	-	-	-	-	-	
Housing development										-	-	-	
Other										-	-	-	
Other assets		16 128	-	-	-	-	-	5 440	5 440	21 568	10 945	11 671	
General vehicles		4 400	-	-	-	-	-	-	-	4 400	3 584	3 777	
Specialised vehicles	18	-	-	-	-	-	-	-	-	-	-	-	
Plant & equipment		351	-	-	-	-	-	3 600	3 600	3 951	370	390	
Computers - hardware/equipment		1 844	-	-	-	-	-	(360)	(360)	1 484	1 159	1 222	
Furniture and other office equipment		2 000	-	-	-	-	-	-	-	2 000	2 108	2 222	
Abattoirs										-	-	-	
Markets										-	-	-	
Civic Land and Buildings		4 211	-	-	-	-	-	2 000	2 000	6 211	222	234	
Other Buildings										-	-	-	
Other Land										-	-	-	
Surplus Assets - (Investment or inventory)										-	-	-	
Other		3 323	-	-	-	-	-	200	200	3 523	3 502	3 826	
Agricultural assets		-	-	-	-	-	-	-	-	-	-	-	
List sub-class										-	-	-	
Biological assets		-	-	-	-	-	-	-	-	-	-	-	
List sub-class										-	-	-	
Intangibles		-	-	-	-	-	-	-	-	-	-	-	
Computers - software & programming										-	-	-	
Other (list sub-class)										-	-	-	
Total Capital Expenditure on new assets to be adjusted	1	171 421	-	-	-	-	-	15 921	15 921	187 342	97 485	94 453	

Quality Certificate

I, Luvuyo MATHLAKA, municipal manager of Mbizana Local Municipality, hereby certify that the adjustments budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under that Act, and that the adjustments budget and supporting documentation are consistent with the Integrated Development Plan of the municipality.

Print name Luvuyo MATHLAKA

Municipal Manager of Mbizana Local Municipality (EC443)

Signature 

Date 27/02/2015